

## Message Text

LIMITED OFFICIAL USE

PAGE 01 LONDON 10945 171631Z

73

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

COME-00 EB-07 LAB-04 SIL-01 /070 W

----- 095534

R 171622Z JUL 75

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 2953

INFO AMCONSUL BELFAST

AMCONSUL EDINBURGH

AMCONSUL LIVERPOOL

LIMITED OFFICIAL USE LONDON 10945

E.O. 11652: N/A

TAGS: PGOV, PINT, UK

SUBJECT: GOVERNMENT ANNOUNCES SALARY INCREASES FOR MPS:

BACKBENCHERS UNHAPPY

REF: LONDON 10286

SUMMARY - WILSON GOVERNMENT JULY 16 ANNOUNCED 28 PERCENT SALARY INCREASE FOR MEMBERS OF PARLIAMENT, TOGETHER WITH SUBSTANTIALLY INCREASED ALLOWANCES. PACKAGE, HOWEVER, WAS FAR SHORT OF 78 PERCENT SALARY RAISE RECOMMENDED BY BOYLE COMMISSION AND DREW STRONG CRITICISM FROM BACKBENCHERS OF BOTH MAJOR PARTIES. FINAL SETTLEMENT MUST BE APPROVED BY HOUSE OF COMMONS. AND SOME DISSIDENT ELEMENTS ARE EXPECTED TO INTRODUCE AN AMENDMENT TO RAISE SALARIES FURTHER: THEIR PROSPECTS FOR SUCCESS ARE MINIMAL. END SUMMARY.

1. LEADER OF THE HOUSE EDWARD SHORT JULY 16 ANNOUNCED THAT GOVERNMENT PROPOSES TO INCREASE MPS SALARIES FROM 4500 POUNDS PER ANNUM TO 5750 POUNDS, AN INCREASE OF 28 PERCENT. THIS RAISE COMPARES VERY UNFAVORABLY WITH 3500

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 10945 171631Z

POUND INCREASE (78 PERCENT) RECOMMENDED BY BOYLE COMMIS-

SION TO GIVE MPS PARITY AFTER A THREE AND HALF YEAR PAY FREEZE (LAST PAY INCREASE WAS JANUARY 1972). ACCORDING TO SHORT, MPS WERE BEING ASKED TO MAKE "VERY HEAVY SACRIFICE" IN NATIONAL INTEREST, ACCEPTING A LITTLE MORE THAN A THIRD OF RECOMMENDED RAISE. GOVERNMENT ALSO RECOMMENDED INCREASED SECRETARIAL ALLOWANCE (82 PERCENT), GENERAL EXPENSES ALLOWANCE (30 PERCENT), AND TRAVEL ALLOWANCES FOR MPS. GOVERNMENT ALSO SUGGESTED THAT MPS' SALARIES BE LINKED TO THOSE OF CIVIL SERVICE, AN INITIATIVE REJECTED BY BOYLE COMMISSION, IN ORDER TO PRECLUDE RECURRENT OF SIMILAR SITUATION IN FUTURE.

2. PARALLELING REQUESTED "SACRIFICE" ON PART OF MPS, CABINET MINISTERS WILL BE FOREGOING BOYLE-RECOMMENDED INCREASES OF 5,000 POUNDS, WHILE JUNIOR MINISTERS WILL RECEIVE 700 POUNDS OF RECOMMENDED 3,000 POUND INCREASE.

3. NOT UNEXPECTEDLY, REACTION FROM BACKBENCHES ON BOTH SIDES OF AISLE WAS UNENTHUSIASTIC. LARGE NUMBER OF LABOR AND TORY MPS ATTACKED GOVERNMENT'S PROPOSALS AS INADEQUATE AND INDICATED THEIR INTENTION TO SEEK FURTHER PAY INCREASES WHEN GOVERNMENT BILL REACHES FLOOR OF HOUSE. A SMALL, BIPARTISAN GROUP OF MPS, HOWEVER, QUESTIONED THE WISDOM AND MORALITY OF SUCH SUBSTANTIAL PAY INCREASES AT THIS TIME.

4. COMMENT: DESPITE THIS DISSENT, WHICH HAS RECEIVED VERY HEAVY MEDIA PLAY, THE GREAT MAJORITY OF MPS ON BOTH SIDES OF THE HOUSE WILL UNDOUBTEDLY SUPPORT THE GOVERNMENT'S PROPOSALS, ALBEIT WITH A GRUMBLE ABOUT THE INEQUITY OF IT ALL. WHILE THERE IS NO DOUBT THAT THE GOVERNMENT'S PROPOSED AWARD REPRESENTS A VERY REAL SACRIFICE FOR MPS IN TERMS OF SIMPLE EQUITY, IT WILL NOT BE PERCEIVED IN THAT WAY. INDEED, LEFT-WING MINER LEADER ARTHUR SCARGILL HAS ALREADY BEEN QUOTED AS CRITICISING THE PROPOSAL, AND TOP EXECUTIVES OF GOVERNMENT-OWNED ENTERPRISES HAVE RE-NEWED THEIR DEMANDS FOR SALARY INCREASES, CITING THIS PRECEDENT.

RICHARDSON

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INFLATION, ECONOMIC PROGRAMS, WAGE RATES, CENTRAL LEGISLATURE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 JUL 1975  
**Decapton Date:** 01 JAN 1960  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MartinML  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975LONDON10945  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750248-0047  
**From:** LONDON  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750747/aaaabqba.tel  
**Line Count:** 99  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 LONDON 10286  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MartinML  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 24 JUN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <24 JUN 2003 by BoyleJA>; APPROVED <05 NOV 2003 by MartinML>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GOVERNMENT ANNOUNCES SALARY INCREASES FOR MPS: BACKBENCHERS UNHAPPY  
**TAGS:** PGOV, PINT, UK  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006